

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:4558
ANSWERED ON:23.08.2001
SUBSIDY TO JUTE MILLS
CHANDRA NATH SINGH

Will the Minister of TEXTILES be pleased to state:

- (a) whether the Government are committed to put a complete halt to direct/indirect subsidy being enjoyed by jute mills;
- (b) if so, whether the Government have identified the areas in this regard;
- (c) if so, the details thereof;
- (d) whether the Government have recently extended the provisions of JPM Act, 1987 to Jute Mill Owners who are enjoying indirect subsidy; and
- (e) if so, the reasons therefor; and
- (f) the steps taken to stop such subsidy?

Answer

MINISTER OF STATE FOR TEXTILES (SHRI V.DHANANJAYA KUMAR)

- (a) No subsidy is being paid by Government to the jute mills.
- (b) & (c) Does not arise.
- (d) & (e) The Jute Packaging Materials (Compulsory Use in Packing Commodities) Act, 1987 (JPM Act) provides for the compulsory use of jute packaging material in the supply and distribution of certain commodities in the interests of production of raw jute and jute packaging material and of persons engaged in the production thereof and for matters connected therewith. The present level of reservations under compulsory packaging are 90% for foodgrains and sugar, 15% for urea which is as per directions of High Court of Gujarat at Ahmedabad.
- (f) : Does not arise.